GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1915
ANSWERED ON:14.03.2002
SAFEGUARDING THE INTEREST OF SHAREHOLDERS.
ABDUL RASHID SHAHEEN;RATNA SINGH

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether it takes a long time in redressal of complaints received under the rule made protection of the interest of small shareholders;

(b) if so whether complaints received during the last three years have been redressed in three months, six months, nine months and within one year;

(c) whether the Government is formulating any rule to redress the complaints within the fixed time limit; and

(d) if so, the details thereof?

Answer

MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS(SHRI ARUN JAITLEY)

(a) To safe-guard the interest of small shareholders, Department of Company Affairs, has set-up an Investors Protection Cell which primarily deals with complaints relating to non-receipt of shares/debenture certificates after allotment/transfer, refund of share/ debenture/application money, non-receipt of dividend/interest warrants and non-payment of un-claimed dividend etc. All such complaints are acknowledged and taken up with the concerned companies for redressal.

(b) to (d) During the last three years 33912 complaints were received out of which 14768 complaints were disposed off. Wherever the complaints are not redressable by this Department, they are referred to the Ministries/Departments concerned. In case the complaints are not disposed off by the companies within a reasonable time, penal action can be taken against the companies. No time limit has been prescribed in the Companies Act, 1956. However, efforts are being made to redress the grievances expeditiously.